

Historic, Archive Document

Do not assume content reflects current scientific knowledge, policies, or practices.

World Production and Trade

United States
Department of
Agriculture

Foreign
Agricultural
Service

Washington, D.C. 20250

II
Weekly
Roundup

WR 6-86

Feb. 12, 1986

The Foreign Agricultural Service of the U.S. Department of Agriculture today reported the following developments in world agriculture and trade.

GRAIN AND FEED

Spain's Barley Export Availabilities Reduced by Domestic Shortages.

In an effort to hold down domestic barley prices and reduce barley stocks, the Spanish National Farm Service (SENPA) has issued a tender for the sale of 650,000 metric tons of barley from stocks to the domestic market. The sale was necessitated by rising domestic barley prices due to free-market shortages of feedstuffs resulting from both poor fall forage conditions and an aggressive barley export program. The move should preclude Spain's need to export additional barley in order to reduce the cost of holding stocks prior to the implementation of the European Community's (EC) Common Agricultural Policy on March 1. Spain's 1985/86 (October-September) barley sales currently total 1.0 million tons, most of which is destined for Saudi Arabia and other Middle Eastern markets.

OILSEEDS AND PRODUCTS

USSR Purchases More U.S. Soybeans. Private exporters reported to the USDA this week export sales of 174,400 tons of soybeans for delivery to the USSR during the 1985/86 marketing year. Sales of soybeans to the USSR for delivery during the 1985/86 marketing year now total 1.2 million tons. This is the largest volume of U.S. soybean sales to the Soviets since 1978/79, when 1.2 million tons were exported.

Greek Soybean Crushers Forecast Increase in Soybean Imports. Greek soybean crushers reported that the total amount of soybeans to be purchased in 1986 will be approximately 300,000 tons, 50,000 tons more than in 1985. Despite EC pressure, legislation restricting the marketing of soybean oil in Greece has not been liberalized. Liberalization should have occurred on January 1 to conform with the end of Greece's transition period into the EC. Greece was to have fully aligned its import tariffs with those of the EC, which for oilseeds is zero and which permit unlimited quantities of imports of oilseeds. The system during the transition period essentially involved imports (oils or oilseed equivalent) under a quota which had been adjusted upward annually. Imports of oilseeds under the quota were duty-free and for domestic use. Imports of oilseeds above the quota were subject to duty, and the oil produced from those imports had to be exported. USDA forecasts Greece's 1986 marketing year soybean imports at 225,000 tons.

-MORE-

LYNN K. GOLDSBROUGH, Editor, Tel. (202) 382-9442. Additional copies may be obtained from FAS Media and Public Affairs Branch, 5922-S, Washington, D.C. 20250. Tel. (202) 447-7937.

Soybean Oil Exemption From Brazilian Import Duties Extended. The Customs Policy Council of Brazil has extended the exemption of purified or refined soybean oil from import duties (tariff item 15.07.02.01) through March 31, 1986, (resolution 05-0902). The extension took effect on February 3 and covers both new purchases and purchases made under previous authorizations but which have not yet arrived in Brazil. USDA forecasts Brazil's marketing year 1986 soybean oil imports at 150,000 tons.

COFFEE

Brazil's 1986 Coffee Crop Forecast at 16.5 Million Bags. USDA's Foreign Agricultural Service (FAS) office in Rio de Janeiro today released its first assessment of Brazil's 1986 coffee crop, putting output at 16.5 million bags (60 kilograms each). This forecast was made on the basis of an extensive two-week field survey by FAS specialists and is preliminary to the first official USDA estimate which will be released in June.

Coffee outturn in Brazil often varies widely from year to year because of the cyclical nature of the trees. Production for the previous six years has been as follows: 33 million bags in 1985; 27 million in 1984; 30 million in 1983; 17.75 million in 1982; 33 million in 1981; and 21.5 million in 1980.

Field observations on the 1986 Brazilian crop were carried out in the major coffee producing states of Minas Gerais, Sao Paulo and Parana. The forecast for west and southwest Minas Gerais is for a crop only one-third of the estimated outturn of last year, while the forecast for Sao Paulo is for only one-fourth of the 1985 total and in Parana the crop is slightly less than one-third of last season's harvest.

Unusually dry weather during the flowering season last September and October left Brazil's main coffee producing region with a substantial moisture deficit. Rainfall in early and late November provided temporary relief to the prolonged dry conditions. Showers during early December in limited regions also improved soil moisture and benefited coffee development.

The FAS field survey indicated a considerable amount of variation in the production potential for the 1986 crop between fields and within fields. Generally younger trees suffered less from the drought than established stands.

Coffee trees in central northeastern and eastern Sao Paulo presented better vegetative conditions than in the western and northern regions, which were hit hardest by the drought. In other regions of Sao Paulo and Parana, the specialists noted an increase in interplanting of alternative crops, indicating the difficult economic situation faced by coffee producers. In southwest Minas Gerais, the specialists observed that a late flowering had taken place by the small size of the cherries. Additional rainfall will be needed in this region for optimal development of the coffee.

Selected International Prices

Item	Feb. 11, 1986		Change from a week ago	A year ago
ROTTERDAM PRICES 1/	\$ per MT	\$ per bu.	\$ per MT	\$ per MT
Wheat:				
Canadian No. 1 CWRS-13.5%.	N.Q.	--	--	190.75
U.S. No. 2 DNS/NS: 14%....	174.50	4.75	+.50	183.00
U.S. No. 2 S.R.W.	152.00	4.13	+.50	165.50
U.S. No. 3 H.A.D.....9/	164.00	4.46	0	183.00
Canadian No. 1 A: Durum...	N.Q.	--	--	194.00
Feed grains:				
U.S. No. 3 Yellow Corn....	117.00	2.97	0	133.50
Soybeans and meal:				
U.S. No. 2 Yellow.....	220.00	5.99	+3.50	242.50
Brazil 47/48% SoyaPellets	199.00	--	-2.00	164.00
U.S. 44% Soybean Meal....	186.00	--	+8.00	157.50
U.S. FARM PRICES 3/				
Wheat.....	111.32	3.03	+.73	124.92
Barley.....	N.Q.	N.Q.	N.Q.	84.05
Corn.....	90.55	2.30	0	103.15
Sorghum.....	79.15	3.59 2/	-.66	93.70
Broilers.....	1063.72	--	-18.96	1178.36
EC IMPORT LEVIES				
Wheat 5/.....	141.35	3.85	+4.90	50.30
Barley.....	130.70	2.85	+4.55	52.25
Corn.....	111.65	2.84	+2.20	45.50
Sorghum.....	118.95	3.02	+1.10	48.00
Broilers 4/ 6/ 8/.....	299.00	--	+48.00	150.00
EC INTERVENTION PRICES 7/				
Common wheat(feed quality)	179.20	4.88	+2.90	137.25
Bread wheat (min. quality)	190.60	5.19	+2.90	146.00
Barley and all				
other feed grains.....	179.20	--	+2.90	137.25
Broilers 4/ 6/.....	N.Q.	--	N.Q.	1012.00
EC EXPORT RESTITUTIONS (subsidies)				
Wheat	71.70	1.95	--	14.50
Barley.....	92.50	2.01	--	28.25
Broilers 4/ 6/ 8/.....	218.00	--	+1.00	89.00

1/ Asking prices in U.S. dollars for imported grain and soybeans, c.i.f., Rotterdam. 2/ Hundredweight (CWT). 3/ Five-day moving average. 4/ EC category--70 percent whole chicken. 5/ Reflects lower EC export subsidy--down to 20.00 ECU/100 bag effective 9/14/83 from 22.50 ECU/100 bag set in 2/83. 6/ F.o.b. price for R.T.C. broilers at West German border. 7/ Reference price. 8/ Reflects change in level set by EC. 9/ February shipment. N.A.=None authorized. N.Q.=Not quoted. Note: Basis March delivery.

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D.C. 20250

OFFICIAL BUSINESS
PENALTY FOR PRIVATE USE, \$300

FIRST-CLASS MAIL
POSTAGE & FEES PAID
USDA-FAS
WASHINGTON, D.C.
PERMIT No. G-262

If your address should be changed PRINT
OR TYPE the new address, including ZIP CODE and
return the whole sheet and/or envelope to:

FOREIGN AGRICULTURAL SERVICE, Room 4644 So.
U.S. Department of Agriculture
Washington, D.C. 20250